Draft - June 2, 2004

(EXHIBIT A)
First DataBank
Drug Price Policy

First DataBank, Inc. (FDB) publishes several drug price data fields, including Net Wholesale Price, Direct Price, Suggested Wholesale Price and Blue Book AWP.

Net Wholesale Price (commonly referred to as wholesale acquisition cost or WAC) as published by FDB represents the manufacturer's published catalog or list price for the sale of a drug product to wholesalers. Net Wholesale Price does not represent actual transaction prices and does not reflect volume discounts, prompt pay discounts, cash discounts, chargebacks, rebates or other price concessions or similar benefits. FDB does not perform any independent investigation or analysis of actual transaction prices for purposes of reporting Net Wholesale Price. FDB relies on manufacturers to report or otherwise make available the values for the Net Wholesale Price data field.

Direct Price as published by FDB represents the manufacturer's published catalog or list price for the sale of a drug product to non-wholesalers. Direct Price does not represent actual transaction prices and does not reflect volume discounts, prompt pay discounts, cash discounts, chargebacks, rebates or other price concessions or similar benefits. FDB does not perform any independent investigation or analysis of actual transaction prices for purposes of reporting Direct Price. FDB relies on manufacturers to report or otherwise make available the values for the Direct Price data field.

Suggested Wholesale Price (SWP) as published by FDB represents the manufacturer's suggested price for the sale of a drug product from wholesalers to their customers (i.e., retailers, hospitals, physicians and other buying entities). SWP is a suggested price and does not represent actual transaction prices. FDB relies on manufacturers to report or otherwise make available the values for the SWP data field.

Blue Book AWP (BBAWP) as published by FDB represents an average of wholesalers' published catalog or list prices for the sale of a drug product to their customers (i.e., retailers, hospitals, physicians and other buying entities). BBAWP does not represent actual transaction prices and does not reflect volume discounts, prompt pay discounts, cash discounts, chargebacks, rebates or other price concessions or similar benefits. FDB does not perform any independent investigation or analysis of actual transaction prices for purposes of reporting BBAWP. FDB relies on wholesalers to report or otherwise make available their catalog or list prices for purpose of publishing the BBAWP data field. FDB periodically surveys full-line national wholesalers to obtain such wholesalers' catalog or list prices on a National Drug Code (NDC) specific basis. For each NDC, FDB averages the catalog or list price of the wholesaler(s) responding to the survey, which average value populates the BBAWP data field. Currently, FDB surveys three (3) full-line national wholesalers which collectively represent approximately [90]% of the drug wholesaler market in the United States. FDB does not survey regional wholesalers.



ABC(AWP)001960 HIGHLY CONFIDENTIAL-ATTORNEYS' EYES ONLY or specialty distributors. Further, FDB does not guarantee that all, or any, of the full-line national wholesalers will participate in the BBAWP survey process and, for purposes of publishing the BBAWP data field, FDB will factor only the wholesaler(s) providing catalog or list prices in response to the survey. BBAWP will be based on a single wholesaler's prices if only one wholesaler responds to the survey. BBAWP is not intended to represent a manufacturer's suggested wholesale price (see above for Suggested Wholesale Price).

FDB relies on manufacturers and wholesslers to report or otherwise make available the values for the above referenced drug price data fields and, as a result, such data fields are subject to the availability of the relevant information from manufacturers and wholesalers. FDB reserves the right, in its sole discretion, to change this Drug Price Policy without notice. Please check back and refer to First DataBank's Drug Price Policy as you review and utilize the pricing information contained in FDB's products.

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The AWP calculations are different for certain categories between Distrack and Star. There are four hierarchy methods used to determine the AWP.

- 1. Vendor AWP given by the vendor. This may occur when a new product is created or at any time of a price change
- 2. First Data Bank FDB tracks AWP for a large number of items in the industry. The FDB figure originates with the manufacturers and an equation is used to usate the AWP.
- . 3. Vender Profile A suggested mark-up or historical mark-up exists for many suppliers. entered in the vendor profile instructions for a specific multiplier.
- 4. Calculated AWP A mark-up of "Cost x 1.25".

Generic Itams - Distrack and Star

- 1. Vendor
 - 2. First Data Bank
- : 3. Vendor Profile
 - A. Calculated AWP.

Branded Items - Distrack and Star

- 1: Vendor
- 2. First Data Benk
- 8. Vendor Profile
- 4. Calculated AWP

- 1. Vendor 2. First Data Bank
 - 3. Vendor Profile
 - 4. Calculated AWF

OTC, HB, GM & MS Items - Star only

- This is the list price to STAR customers.
- It is calculated from the gross profit percent set at the supplier level.
- If the supplier does not have a gross profit parcent preset, then the value will need to . be calculated.
 - o Current WAC divided by the current BBCWP = value(\$)
 - o Naw WAC x value(\$) = new BBCWP
- This is not to be confused with the First Data Bank's AWP.

Private Label - GNP, BL, FP - Distrack only

The Category Manager provides the AWP.

Private Label - GNP. BL. FP - Star only

The BBWP is the same as the net

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Section: